



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

February 2, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

WASHINGTON, D.C. UPDATE

Federal Fiscal Year 2007 Continuing Appropriations Resolution (H.J. Res. 20)

On January 31, 2007, the House voted 286-140 to approve H.J. Res. 20, the Revised Continuing Appropriations Resolution for Federal Fiscal Year (FFY) 2007, which will provide funding for most Federal programs through September 30, 2007.

The House-passed Continuing Resolution (CR) funds the vast majority of Federal programs and activities at their FFY 2006 levels. However, the CR increases funding for a number of programs of County interest, including: \$939 million for Section 8 Project-Based Rental Assistance; \$300 million for the Public Housing Operating Fund; \$115 million for Homeless Assistance Grants; \$109 million for Justice Assistance Grants; and \$76 million for Title II Ryan White HIV/AIDS. It also includes increased funding to fully fund Federal highway and transit programs.

According to the House Appropriations Committee, the \$463.5 billion CR also includes about \$10 billion in savings, which includes major savings from eliminating funding for earmarked projects and rescinding certain unobligated balances from prior years, including \$109 million in unobligated Office of Justice Programs (OJP) funds. This rescission could be interpreted as applying to the State Criminal Alien Assistance Program, which is administered by the OJP. This is because, even though the deadline for submitting FFY 2006 SCAAP applications was April 11, 2006, the OJP has not yet awarded any of the \$400 million in FFY 2006 SCAAP appropriations. The County's

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Washington, D.C. advocates are working with the County's Congressional delegation to ensure that the rescission will not apply to FFY 2006 SCAAP funds, which were appropriated to reimburse undocumented criminal alien incarceration costs incurred during the 12-month period ending on June 30, 2005.

Also, of County interest, H.J. Res. 20 includes language, which revises the formula for distributing Section 8 housing voucher funds to Public Housing Authorities (PHAs) by directing the Department of Housing and Urban Development to use the most recent 12-month leasing and cost data as the basis for funding instead of the previous method of using a three-month snapshot from 2004. The County's Housing Authority is concerned that this formula change would reduce funding for large PHAs in urban areas, such as Los Angeles County, that have lower income applicants and tight rental housing markets. Housing Authority staff and the County's Washington, D.C. advocates are pursuing changes in the CR that would protect the County from a reduction in Section 8 funding.

Early next week, the Senate is expected to begin consideration of H.J. Res. 20, which must be enacted before the current CR expires on February 15, 2007. Unlike the House, which did not allow amendments to be considered, the Senate will likely consider floor amendments.

We will continue to keep you advised.

DEJ:GK
MAL:MT:hg

c: All Department Heads
Legislative Strategist